

## Message Text

CONFIDENTIAL

PAGE 01 CURACA 00183 231508Z

ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 NSC-05 L-03 JUSE-00 ARAE-00  
SSO-00 NSCE-00 INRE-00 CIAE-00 INR-07 NSAE-00 H-01  
/042 W

-----231538Z 056685 /44

O 221430Z MAR 77

FM AMCONSUL CURACAO

TO SECSTATE WASHDC IMMEDIATE 3169

C O N F I D E N T I A L CURACAO 0183

STATE PASS JUSTICE FOR: (1) MARTIN A. SCHAINBAUM, ASSISTANT  
U.S. ATTORNEY, NORTHERN DISTRICT OF CALIFORNIA, TAX DIVISION;  
(2) CONO NAMORATO, CHIEF, CRIMINAL SECTION, TAX DIVISION

E.O. 11652: GDS

TAGS: PINS, NA

SUBJECT: MARGOLIS CASE

REF: (A) SHLAUDEMAM/EVERTSZ LETTER 11/23/76; (B) EVERTSZ/  
SHLAUDEMAM LETTER 10/19/76; (C) 76 STATE 232713 (TRANSMITTING  
TEXT OF MONROE LEIGH/EVERTSZ LETTER OF 9/17/76)

1. CURACAO NOTARY TON SMEETS HAS ASKED CONGEN PASS FOLLOWING  
MESSAGE TO SCHAINBAUM:

"AS YOU WILL REMEMBER, WE HAVE AFTER OUR FIRST MEETING  
IN CURACAO, TAKEN THE POSITION THAT WE WOULD ACT IN  
ACCORDANCE WITH THE POLICY TO BE ADOPTED BY OUR GOVERNMENT.  
AS YOU HAVE ALWAYS ASSURED US, THAT OUR GOVERNMENT WOULD  
COOPERATE WITH YOURS, IN OTHER WORDS, THAT MR. HENRIQUEZ  
WOULD TESTIFY, I HAVE ALSO TAKEN THE ATTITUDE THAT MY,  
AND KORDERIJNK'S TESTIFYING SHOULD BE TAKEN FOR GRANTED.

IT NOW APPEARS, HOWEVER THAT, DUE TO THE FACT THAT OUR  
GOVERNMENT DID NOT RECEIVE THE INDEMNIFICATION REQUESTED  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CURACA 00183 231508Z

FROM YOUR GOVERNMENT, THE CHANCE EXISTS, THAT MR. HENRIQUEZ  
WILL NOT GO TO THE U.S. TO TESTIFY. YOU WILL APPRECIATE  
THAT THIS PUTS THINGS IN A DIFFERENT LIGHT FOR ME ALSO  
AND THAT I MAY HAVE TO RECONSIDER MY POSITION, IF THE  
REQUEST OF OUR GOVERNMENT IS NOT HONOURED SHORTLY.  
MOREOVER, I WOULD ALSO LIKE TO RECEIVE A PERSONAL  
INDEMNIFICATION FOR ANY DAMAGES, LAWSUITS, ETC. THAT MAY

ARISE FROM MY TESTIFYING.

IN CONNECTION WITH YOUR BEING OCCUPIED DURING DAY TIME  
AND THE FIVE HOUR TIME DIFFERENCE, I SUGGEST THAT WE  
COMMUNICATE BY TELEX. MY TELEX NUMBER IS 1082 ANSWERBACK  
NOTAR. OUR TELEX VIA ITT IS 3330.

REGARDS, A.A.G. SMEETS"

DEPARTMENTS STATE AND/OR JUSTICE REQUESTED TRANSMIT MESSAGE  
IF NO OBJECTION.

2. IN COURSE OF CONVERSATION WITH ME ON MARCH 17, SMEETS  
SAID HE UNDERSTOOD THAT ACTING DIRECTOR OF TAXES HAROLD HENRIQUEZ  
DOES NOT EXPECT GNA AUTHORIZATION TESTIFY IN SUBJECT CASE AS  
ANTICIPATED REF. C, BECAUSE GNA REQUEST FOR CERTAIN GUARANTEES  
BY USG TO GNA (REF. B) HAS TO DATE NOT BEEN FAVORABLY ACTED  
UPON BY USG.

3. AS HENRIQUEZ AWAY FROM CURACAO AT PRESENT, I AM UNABLE  
ASCERTAIN HIS PRESENT INTENTIONS RE TESTIFYING IN MARGOLIS  
CASE; HOWEVER, I HAVE NO REASON TO DOUBT THAT SMEETS KNOWS  
WHAT HE IS WRITING ABOUT. AND FURTHER, SINCE REF. A READS IN  
PART AS FOLLOWS:

"WE HAVE STUDIED CAREFULLY YOUR LETTER OF OCT. 19,.....,  
AND YOUR GOVRNMENT'S DESIRE FOR A CHANGE IN THE WORDING  
OF MR. MONROE LEIGH'S LETTER OF SEPT. 17.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CURACA 00183 231508Z

ZYOU WILL UNDERSTAND THAT IN THE PRESENT SITUATION HERE,  
YOUR REQUEST RAISES A NUMBER OF PROBLEMS FOR US. OUR  
LEGAL EXPERTS IN THE DEPT. OF JUSTICE HAVE THE MATTER  
UNDER ACTIVE CONSIDERATION AND WILL BE IN TOUCH WITH YOU  
ABOUT IT.",

IT DOES APPEAR THAT BALL NOW IN USG COURT. IT IS POSSIBLE  
THAT A CLOSER READING ON PRESENT GNA POSITION  
CAN BE OBTAINED ON INFORMAL BASIS FROM GNA REPRESENTATIVE  
IN U.S., ULRICO REALE, OF WASHINGTON LAW FIRM OF SILVERSTEIN  
& MULLEN. IN ANY EVENT, I SUGGEST INFORMAL WASHINGTON APPROACH  
PREFERABLE TO DIRECT QUERY EITHER TO EVERTSZ OR TO HENRIQUEZ,  
SINCE LATTER COURSE MIGHT TEND FREEZE GNA POSITION.

4. ACCORDING TO LONG ARTICLE IN FINANCIAL SECTION MARCH 21,  
NEW YORK TIMES, MARGOLIS CASE HAS COME TO TRIAL, WITH PROCEEDINGS  
EXPECTED RUN SEVERAL MONTHS. IF HENRIQUEZ AND SMEETS TESTIMONY  
CONSIDERED NECESSARY TO SUCCESSFUL OUTCOME OF TRIAL, USG MAY  
WISH FOLLOW UP SHLAUDEMAN/EVERTSZ NOV. 23 LETTER QUOTED ABOVE.

HANSON

NOTE BY OC/T: NOT PASSED CALIFORNIA.

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRIALS  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770099-0831  
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**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
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**Review Content Flags:**  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3039125  
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**Status:** NATIVE  
**Subject:** MARGOLIS CASE  
**TAGS:** PINS, CGEN, NA, US, (HENRIQUEZ, HAROLD), (WEBSTER, JOSPEH)  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/6bf634b4-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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